(d) the details of action taken against the persons found guilty in the said enquiry?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir. On Line Tax Accounting System (OLTAS) was started from 1st June, 2004.

(b) Instances of data entry errors and uploading of incomplete data by banks, mainly relating to non-quoting of PAN by tax-payers, have come to notice. However, there are sufficient safeguards in the System, such as Challan Identification Number (CIN), to ensure that all tax-payers get credit for taxes paid by them.

(c) and (d) Yes, Sir. Enquiries have been conducted and it was found that the problems mainly related to non-quoting of PAN by tax-payers and uploading of incomplete/incorrect data by banks. With effect from 1.01.2005, it has been made obligatory upon all tax-payers to compulsorily quote PAN/TAN in the tax payment challans. Reserve Bank of India has also issued instructions to all designated banks for timely and correct uploading of complete OLTAS data.

Cut in incentives to LIC field staff

2253. SHRI N.K. PREMACHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the benefits like incentive, reimbursement of expenses and conveyance allowance of LIC field staff are being curtailed;

(b) whether the market share of LIC has come down due to the unrest among the field staff;

(c) whether there is any proposal to review the decision of curtailment of benefits due to the field staff; and

(d) if so, the details thereof and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Life Insurance Corporation of India (LIC) has introduced a new Growth-Oriented Incentive Bonus Scheme, 2004 for Development Officers by way of the merger of the Incentive Bonus Scheme, Additional Conveyance Allowance Scheme and Reimbursement of

Expenses Scheme. The new scheme provides opportunities for higher incentive bonus through productivity-oriented performance.

(b) Market share of LIC has come down due to the opening up of insurance sector.

(c) No, Sir.

(d) Does not arise.

FDI in Public Sector Banks

†2254. SHRI ABU ASIM AZMI: Will the Minister of FINANCE be pleased to state:

(a) whether Government are prepared to permit Foreign Direct Investment in the Public Sector Banks;

(b) if so, names of those banks which are ready to accept such investment; and

(c) the names of such banks of the public sector which would be clubbed together for purpose of the said investment?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) FDI and Protfolio Investment in nationalised banks are subject to statutory limit of 20 per cent as provided under Section 3 (2D) of the Banking Companies (Acquisition & Transfer of Undertakings) Acts 1970/80. The 20 per cent ceiling would also apply to investments in State Bank of India and its associate banks. There is no change in the existing stipulated statutory limit of FDI Investment in case of public sector banks. However, the FDI limit has been enhanced in case of private sector banks from existing 49% to 74% by a Government Notification issued on 5th March, 2004. This enhancement will be done in a phased manner as per the guidelines issued by Reserve Bank of India on 28th February, 2005.

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†Original notice of the question was received in Hindi.